



Greater Louisville Inc.

The Metro Chamber of Commerce

February 14, 2005

Mr. Arthur L. Williams, Director
Louisville Metro Air Pollution Control District
850 Barret Avenue
Louisville, KY 40204

RE: Proposed STAR Regulations
GLI Air Toxics Task Force Formal Review Period Comments

Greater Louisville Inc., the Metro Chamber of Commerce, appreciates the willingness of Mayor Abramson, his Community Development Cabinet, and the Air Pollution Control District (APCD) and Board to give the business community the opportunity to participate in the review of the community's Strategic Toxic Air Reduction (STAR) Program. GLI understands the vital importance of air quality to not only the public health, but to the economic health and vitality of the community. GLI believes that the long-term goal of improving our community's air will improve the quality of life and economic climate for all in our hometown.

Of course, since air quality issues are extremely technical and interdependent, a balanced scientifically based approach to achieving this common goal is necessary. The STAR Program encompasses changes in or adds 20 proposed regulations, which is the largest regulatory package that APCD has put forward in approximately twenty years. GLI and its members have spent significant time to review and analyze the STAR Program and its potential effects on small and large employers in Louisville Metro. Ultimately, the goal is to develop a toxics regulatory package that embodies the health goals while balancing the economic impact to existing AND future employers.

With this in mind, GLI's Environmental Affairs Committee established an Air Toxics Task Force comprised of approximately 40 local, regional and national environmental experts, and representatives from large and small businesses. The mission of the Task Force was to provide constructive comments, relay concerns, and offer solutions to the proposed regulatory program.

The STAR Program has attracted much attention by affected employers and other potential employers, with the concern being that these proposed regulations are creating an anti-business atmosphere for Louisville Metro. In fact, several companies have indicated to GLI that expansion plans and potential relocations have been placed on hold awaiting the final outcome of the proposed STAR Program regulations. Ultimately, GLI is very concerned with the stringency of this program as related to our competitor cities and our ability to compete for new jobs.

On Thursday, September 9, 2004, Mayor Abramson articulated the principles of the STAR program. These principles are laudable, and in fact, essential to a balanced approach to air quality and economic development. These principles are for a program which:

- Targets and identifies chemicals of concern;
- Clearly identifies the sources of these chemicals of concern;
- Sets realistic risk goals and emission limits; and
- Allows for a reasonable time frame to implement reductions.

GLI and its members agree with the Mayor's principles. However, the Task Force believes that the technical details of the proposed STAR Program regulation go beyond the Mayor's original plan and are at risk of creating a competitive disadvantage for Louisville Metro, without accomplishing the goal of cleaner air. In this review, we believe that these are some of the areas of dissonance between the Mayor's objectives and the STAR Program as currently proposed:

- Does Not Target the Chemicals of Concern – APCD completed an extensive monitoring effort that identified 18 chemicals of concern in Louisville. These are the chemicals identified as posing an unacceptable risk at one or more of the monitoring stations located in Louisville Metro. The current informal draft regulations go far beyond the original scope of the toxics concern.
 - The draft regulations expand the list of 18-targeted chemicals of concern from the West Louisville Air Toxics Study Risk Assessment listed as above EPA's risk guidelines to 191 chemicals or compound categories without peer review or a scientifically based justification. Additionally, it should be understood that the compound categories listed further expand the scope and impact of the draft regulations to thousands of chemicals.
- Does Not Clearly Identify the Sources of the Chemicals of Concern – The draft regulations are premature in that an analysis of the sources (stationary, mobile, area, and non-road mobile) of the chemicals of concern has not been accomplished to determine where best to spend limited resources to effectuate the greatest health benefit.
 - Reductions in emissions of toxic air contaminants from mobile sources are not directly addressed in the STAR Program, even though this source sector is a major contributing factor to the toxics issue in Louisville Metro.
 - *USEPA Region 4 Air Toxics Relative Risk Screening Analysis* (September 27, 2002) which the APCD has stated is the primary source for identifying the Category 1A Toxics Air Contaminants (TACs) in the informal draft regulation indicated the following:
 - Cancer risk from background sources – 29%
 - Cancer risk from area, on road & off road mobile – 66.9%
 - Cancer risk from stationary sources – 6.1%

- The proposed regulations focus on only major stationary sources and ignore the source of 93.9% of the cancer risk and 84% of the non-cancer risk in Jefferson County.
- Does Not Follow USPEA Risk Goals– Utilizing the EPA risk goal of 1×10^{-6} (1 in a million cancer risks), as a screening goal is reasonable. However, USEPA also allows for flexibility of up to 100 in a million depending on several factors. This flexibility should be included in the proposed regulations.
- Proposed Regulations Mix Methodologies – The proposed regulations are not based on sound methodologies since they mix other programs' methodologies, omit necessary provisions of the other programs, and amend other programs' provisions, creating a set of regulations that is not reasonable or technically sound.
- Preliminary Regulatory Impact Assessment released on January 13, 2005 does not fully weigh both the health benefits and economic and community costs as required. Without an analysis of the public health benefits and community costs, the community will not have the certainty to know that the benefits outweigh the costs.

GLI's Air Toxics Task Force has spent hundreds of hours reviewing and analyzing the proposed STAR Program regulations, analyzing the other air toxics programs on which the STAR Program is based in part, and has utilized the technical expertise and experience of approximately forty experts, including the services of toxicologists, risk analysts, air modelers, and other regional and national experts in air quality.

Based upon that review and analysis, the Task Force is proposing revisions to the proposed STAR Program regulations that were released for formal comment on January 14, 2005. We believe the revisions that the Task Force proposes are necessary to make the STAR Program technically and scientifically sound.

Further, due to the complexity of the STAR Program, GLI continues to encourage the APCD Board to conduct a thorough stakeholder process, consistent with the process described in West Louisville Air Toxics Study Risk Management Plan, to consider the STAR Program as proposed by the District and the revisions proposed by the Task Force.

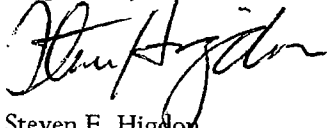
The Risk Management Plan was developed in anticipation of the results of the West Louisville Air Toxics Study Risk Assessment, and was approved by the community, including representatives of the community, industry, environmental groups, and the Air Pollution Control District. The Risk Management Plan establishes an appropriate methodology for the development of a regulatory program that will assess all the sources of the air toxics in ambient air in Louisville.

GLI respectfully requests the Mayor and APCD Board to institute a stakeholder's workgroup to fully review and discuss the impacts and benefits of this program as well as all concerns and proposed revisions of the Task Force. USEPA even recommends such a process in response to its *Region 4 Air Toxics Relative Risk Screening Analysis* (September 27, 2002). Furthermore, APCD even recommends this process in its proposed toxics Regulation 5.30 for other sources including mobile, and area sources.

The Task Force brings forward these concerns and proposed revisions in good faith to provide constructive comments and potential solutions. GLI and its members understand the importance of the STAR program and want to fully support its ultimate objective.

Attached are comments, concerns, and suggested revisions from the Task Force for your consideration. After your staff has had an opportunity to review, the Task Force looks forward to having more in-depth discussions about the development of a balanced community air toxics program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Steven E. Higdon", written over a horizontal line.

Steven E. Higdon
President and CEO

Cc: Hon. Jerry Abramson
Mr. Bruce Traughber
Hon. Dr. Barbara Shanklin
Hon. Kelly Downard
Dr. Karen Cassidy
APCD Board Members

GLI AIR TOXICS TASK FORCE
COMMENTS ON VERSION 2
OF THE
STAR PROGRAM
(February 14, 2005)

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